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TO: Katie Elmore, Minnesota Legislative Reference Library

FROM: Keeya Steel, University of Minnesota Office of Government and Community Relations

DATE: January 15, 2017

RE: Capital Appropriations Expenditure Mandated Report

Enclosed are two copies of the mandated report, Capital Appropriations Expenditure, pursuant to 2016 Minnesota Statutes 135A.046.

This report can also be found online: <http://government-relations.umn.edu/state/legislative-materials>

If you have any questions regarding this report or to obtain additional copies, please contact the Office of Government and Community Relations at 612-626-9234.

cc: Commissioner Myron Frans, Minnesota Management and Budget
Senator Michelle Fischbach, Senate Higher Education Finance and Policy Chair
Representative Bud Nornes, House Higher Education & Career Readiness Policy and Finance Chair
Senator Julie Rosen, Senate Finance Chair
Representative Dean Urdahl, House Capital Investment Chair

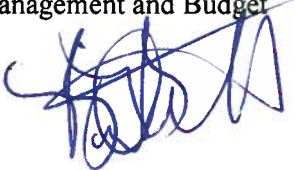
UNIVERSITY OF MINNESOTA

Crookston • Duluth • Morris • Rochester • Twin Cities

*Office of the Senior Vice President
for Finance and Operations*

*300 Morrill Hall
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Minneapolis, MN 55455*

TO: Representative Dean Urdahl, Chair, Capital Investment Committee
Representative Bud Nornes, Chair, Higher Education and Career Readiness Policy and Finance Committee
Representative Jim Knoblach, Chair, Ways and Means Committee
Senator David Senjem, Chair, Capital Investment Committee
Senator Julie Rosen, Chair, Finance Committee
Senator Michelle Fischbach, Chair, Higher Education Finance and Policy Committee
Commissioner Myron Frans, Minnesota Management and Budget

FROM: Brian D. Burnett, Senior Vice President 

DATE: January 13, 2017

RE: Capital Appropriation Expenditure Report

Per Minnesota Statute 135A.046, the University's annual report of progress on projects funded by the State of Minnesota through the HEAPR statute is attached. As has been the University's practice, this report also provides you information about our progress on all capital projects funded by the State.

We are pleased with the projects that have been completed and the progress toward finishing those remaining. The financial support provided by the people of the State is critical to the University's success, and we are grateful for the funding that has made the work in this report possible.

If you have any specific questions, please call Brian Swanson in University Services finance at 612-625-6665.

cc: Brian Steeves, Executive Director and Corporate Secretary, University of Minnesota Board of Regents
Michael Berthelsen, Interim Vice President, University Services

University of Minnesota

Capital Appropriations Expenditure Report

In fulfillment of MN 135A.046 subd. 3

January 2017

Appropriation Status

| Year | Full Allocation | % Spent or Encumbered Under Contract | % Spent, Encumbered or Otherwise Obligated to Complete a Project | Comments |
|------|-----------------|--------------------------------------|--|------------------|
| 2011 | \$ 88,833,000 | 100% | 100% | |
| 2012 | \$ 64,060,000 | 100% | 100% | |
| 2014 | \$ 119,367,000 | 99% | 99% | |
| 2015 | \$ 26,529,000 | 96% | 100% | |
| 2016 | \$ - | na | na | No appropriation |

Definitions

Allocation: The State appropriation for each project.

Spent: The amount the University has paid to contractors from signed contracts.

Encumbered: This includes:

- Project amount specifically under contract with a general contractor, architect, engineer, or other vendor.
- Internal project where work has begun and/or internal purchase order/work has been completed.

Obligated: Funds required to complete the project that are not yet under contract.

Note: percentages are rounded.

HEAPR Spending Status

| Year | HEAPR Allocation | % Spent or Encumbered Under Contract | % Spent, Encumbered or Otherwise Obligated to Complete a Project | Comments |
|------|------------------|--------------------------------------|--|------------------|
| 2011 | \$ 25,000,000 | 100% | 100% | |
| 2012 | \$ 50,000,000 | 100% | 100% | |
| 2014 | \$ 42,500,000 | 95% | 99% | |
| 2015 | \$ - | na | na | No appropriation |
| 2016 | \$ - | na | na | No appropriation |

Definitions

Allocation: The State appropriation for each project.

Spent: The amount the University has paid to contractors from signed contracts.

Encumbered: This includes:

- a. Project amount specifically under contract with a general contractor, architect, engineer, or other vendor.
- b. Internal project where work has begun and/or internal purchase order/work has been completed.

Obligated: Funds required to complete the project that are not yet under contract.

Note: percentages are rounded.

University of Minnesota

Status Report: Total Capital Appropriations 2011 to 2015

Project 01/31/17 - Definitions on last page

| (A) Project Name | (B) Appropriation Amount | (C) Spent and/or Encumbered | (D) Obligated | (E) (B-C-D) Unencumbered | (F) Status | (G) Estimated Occupancy | (H) Comments |
|---|--------------------------------|-----------------------------------|---------------------|--------------------------------|------------------------|-------------------------------|-------------------------------------|
| <u>2015 State Capital Appropriations: Major Projects</u> | | | | | | | |
| MN Poultry Testing Lab-Willmar | 8,529,000.00 | 8,523,270.02 | 0.00 | 5,729.98 | Substantial Completion | Occupied | |
| Vet Isolation Facility | 18,000,000.00 | 16,846,146.15 | 1,153,853.85 | 0.00 | Construction | 1/10/2018 | |
| Subtotal - '15 Appropriations: Major Projects | 26,529,000.00 | 25,369,416.17 | 1,153,853.85 | 5,729.98 | | | |
| Total - 2015 State Capital Appropriations | 26,529,000.00 | 25,369,416.17 | 1,153,853.85 | 5,729.98 | | | |
| <u>2014 State Capital Appropriations: Major Projects</u> | | | | | | | |
| Tate Science & Teaching Renovation | 56,700,000.00 | 56,700,000.00 | 0.00 | 0.00 | Construction | 5/1/2017 | |
| UMC Lysacker Wellness Rec Ctr Addition/Remodel | 10,000,000.00 | 9,505,883.31 | (0.00) | 494,116.69 | Pacloseout | Occupied | |
| UMD Chemical Science & Advanced Mat'ls Building | 1,500,000.00 | 1,500,000.00 | 0.00 | 0.00 | Construction Documents | Unknown | Appropriation is for predesign only |
| Research Laboratories | 8,667,000.00 | 8,603,497.04 | 0.00 | 63,502.96 | Substantial Completion | Occupied | |
| Subtotal - '14 Appropriations: Major Projects | 76,867,000.00 | 76,309,380.35 | (0.00) | 557,619.65 | | | |
| <u>2014 State Capital Appropriations: HEAPR Projects</u> | | | | | | | |
| <u>Completed Projects</u> | 5,991,322.90 | 5,991,322.90 | 0.00 | (0.00) | | | |
| TC HEAPR Projects | 105,192.72 | 0.00 | 0.00 | 105,192.72 | N/A | N/A | |
| Armory Fire Range Abatement | 39,140.40 | 13,367.45 | 25,772.95 | 0.00 | Construction | 3/31/2017 | |
| Keller Hall Exterior Building Envelopment Replacement | 2,358,977.73 | 2,262,915.06 | 0.00 | 96,062.67 | Substantial Completion | Occupied | |
| Mech Eng Phase II Renewal-Mech/Elec/Plumbing | 24,800,000.00 | 23,765,427.49 | 1,034,572.51 | 0.00 | Construction | 6/1/2017 | |
| Alderman Hall Fire Safety & Ventilation Imprvmnts | 152,000.00 | 108,070.00 | 43,930.00 | 0.00 | Programming | 10/1/2018 | |
| Andrew Boss Lab Fire Sprinklers, Lab Compliance | 5,107,543.75 | 5,026,671.30 | 80,872.45 | 0.00 | Construction | 6/1/2017 | |
| UMD Coleraine Minerals Lab Water Utility Replacement | 34,175.08 | 17,288.08 | 16,887.00 | 0.00 | Design Development | N/A | For design only. |
| UMM Blakely Hall Elevator Installation | 499,679.88 | 738.01 | 498,941.87 | 0.00 | Construction Documents | Unknown | |
| UMM Humanities HVAC Improvements | 170,000.00 | 38,000.00 | 132,000.00 | 0.00 | Design Development | Unknown | |
| UMC Electrical Infrastructure Stabilization | 3,180,000.00 | 3,091,571.32 | 0.00 | 88,428.68 | Pacloseout | Occupied | |
| NCROC Projects | 30,112.42 | 0.00 | 0.00 | 30,112.42 | N/A | N/A | |
| Cedar Creek Projects | 1,358.83 | 0.00 | 0.00 | 1,358.83 | N/A | N/A | |
| Cloquet Forestry Center Auditorium Lighting Updates | 30,496.29 | 12,790.81 | 17,705.48 | 0.00 | Construction | 3/1/2017 | |
| Subtotal - '14 Appropriations: HEAPR Projects | 42,500,000.00 | 40,328,162.42 | 1,850,682.26 | 321,155.32 | | | |
| Total - 2014 State Capital Appropriations | 119,367,000.00 | 116,637,542.77 | 1,850,682.26 | 878,774.97 | | | |

University of Minnesota

Status Report: Total Capital Appropriations 2011 to 2015

Project 01/31/17 - Definitions on last page

| (A) Project Name | (B) Appropriation Amount | (C) Spent and/or Encumbered | (D) Obligated | (E) (B-C-D) Unencumbered | (F) Status | (G) Estimated Occupancy | (H) Comments |
|---|--------------------------------|-----------------------------------|---------------------|--------------------------------|------------------------|-------------------------------|-----------------|
| <u>2012 State Capital Appropriations: Major Projects</u> | | | | | | | |
| Combined Heat and Power Plant | 10,000,000.00 | 10,000,000.00 | 0.00 | 0.00 | Construction | 4/30/2017 | |
| Itasca New Multi-Purpose Building | 4,060,000.00 | 4,060,000.00 | 0.00 | 0.00 | Pacloseout | Occupied | |
| Subtotal - '12 Appropriations: Major Projects | 14,060,000.00 | 14,060,000.00 | 0.00 | 0.00 | | | |
| <u>2012 State Capital Appropriations: HEAPR Projects</u> | | | | | | | |
| <u>Completed Projects</u> | 49,720,324.35 | 49,720,324.35 | 0.00 | 0.00 | | | |
| Armory Fire Range Abatement | 71,477.16 | 71,477.16 | 0.00 | 0.00 | Construction | 3/31/2017 | |
| Shevlin Hall Window Replacement | 44,000.00 | 44,000.00 | 0.00 | 0.00 | Design Development | N/A Design only | |
| UMM Blakely Hall Elevator Installatoin | 56,198.49 | 56,198.49 | 0.00 | 0.00 | Construction Documents | Unknown | |
| UMM HFA Interior Stairs/Guardrail Upgrades | 108,000.00 | 108,000.00 | 0.00 | 0.00 | Construction | 3/31/2017 | |
| Subtotal - '12 Appropriations: HEAPR Projects | 50,000,000.00 | 50,000,000.00 | 0.00 | 0.00 | | | |
| Total - 2012 State Capital Appropriations | 64,060,000.00 | 64,060,000.00 | 0.00 | 0.00 | | | |
| <u>2011 State Capital Appropriations: Major Projects</u> | | | | | | | |
| <u>Completed Projects</u> | 63,833,000.00 | 63,833,000.00 | 0.00 | 0.00 | | | |
| Subtotal - '11 Appropriations: Major Projects | 63,833,000.00 | 63,833,000.00 | 0.00 | 0.00 | | | |
| <u>2011 State Capital Appropriations: HEAPR Projects</u> | | | | | | | |
| <u>Completed Projects</u> | 25,000,000.00 | 25,000,000.00 | 0.00 | (0.00) | | | |
| Subtotal - '11 Appropriations: HEAPR Projects | 25,000,000.00 | 25,000,000.00 | 0.00 | (0.00) | | | |
| Total - 2011 State Capital Appropriations | 88,833,000.00 | 88,833,000.00 | 0.00 | (0.00) | | | |
| Grand Totals - 2011 to 2015 | 298,789,000.00 | 294,899,958.95 | 3,004,536.10 | 884,504.95 | | | |

| (A) | (B) | (C) | (D) | (E) | (F) | (G) | (H) |
|--------------|-------------------------|----------------------------|-----------|-------------------------|--------|------------------------|----------|
| Project Name | Appropriation Amount | Spent and/or Encumbered | Obligated | (B-C-D) Unencumbered | Status | Estimated Occupancy | Comments |

Notes:

- 1) Definitions of columns:
- B. Appropriation Amount: The state appropriation for each project. Although HEAPR funds are appropriated in a block of funds, they are detailed in this report by the University's allocation.
 - C. Spent or Encumbered: This includes three categories.
 - a. Amount the University has paid to contractors from signed contracts.
 - b. Project amount specifically under contract with a general contractor, architect, engineer, or other vendor.
 - c. Internal project where work has begun and/or internal purchase order/work has been completed.
 - D. Obligated: Funds required to complete the project that are not yet under contract.
 - E. Unencumbered: Contingency funds remaining in the project after the construction phase.
- 2) Definitions of project phases:
- a. Programming: Defining in detail the scope of the project , describing the facility components required to accommodate the academic/operational program, and establishing the functional and physical relationships of those components.
 - b. Schematic Design Development: Evaluating alternatives for meeting the project program and establishing the general size, shape, and massing of building elements; exterior finishes; and Design Development criteria for structural, mechanical, and electrical systems.
 - c. Design Development: Developing the preliminary Design Development into a detailed Design Development that establishes final floor plans, building elevations, interior and exterior materials, room finishes, building systems, furnishings, and equipment.
 - d. Construction Documents: Preparing detailed drawings and specifications required to obtain bids and to describe and direct the construction work.
 - e. Procurement: Soliciting bids from contractors for completing the work described in the construction documents.
 - f. Construction: Mobilizing of the contractor's equipment, purchasing of building materials, and implementing the work described in the construction documents.
 - g. Substantial Completion: Completing work on the project to a point that the Owner can occupy and use the facility for its intended use.
 - h. Pacloseout: Making final payments to contractors and vendors, closing all contracts, and preparing the final project accounting.

University of Minnesota

Status Report: Total Capital Appropriations 2011 to 2015

Project 01/31/17 - Definitions on last page

| (A) Project Name | (B) Appropriation Amount | (C) Spent and/or Encumbered | (D) Obligated | (E) (B-C-D) Unencumbered | (F) Status | (G) Estimated Occupancy | (H) Comments |
|--|--------------------------------|-----------------------------------|------------------|--------------------------------|---------------|-------------------------------|-----------------|
| <u>Summary of University State Capital Appropriations</u> | | | | | | | |
| <u>Total Dollars by Status</u> | | | | | | | |
| 2015 Appropriations | | | | | | | |
| Major Projects | 26,529,000.00 | 25,369,416.17 | 1,153,853.85 | 5,729.98 | | | |
| HEAPR Projects | 0.00 | 0.00 | 0.00 | 0.00 | | | |
| Subtotal | 26,529,000.00 | 25,369,416.17 | 1,153,853.85 | 5,729.98 | | | |
| 2014 Appropriations | | | | | | | |
| Major Projects | 76,867,000.00 | 76,309,380.35 | (0.00) | 557,619.65 | | | |
| HEAPR Projects | 42,500,000.00 | 40,328,162.42 | 1,850,682.26 | 321,155.32 | | | |
| Subtotal | 119,367,000.00 | 116,637,542.77 | 1,850,682.26 | 878,774.97 | | | |
| 2012 Appropriations | | | | | | | |
| Major Projects | 14,060,000.00 | 14,060,000.00 | 0.00 | 0.00 | | | |
| HEAPR Projects | 50,000,000.00 | 50,000,000.00 | 0.00 | 0.00 | | | |
| Subtotal | 64,060,000.00 | 64,060,000.00 | 0.00 | 0.00 | | | |
| 2011 Appropriations | | | | | | | |
| Major Projects | 63,833,000.00 | 63,833,000.00 | 0.00 | 0.00 | | | |
| HEAPR Projects | 25,000,000.00 | 25,000,000.00 | 0.00 | (0.00) | | | |
| Subtotal | 88,833,000.00 | 88,833,000.00 | 0.00 | (0.00) | | | |
| Grand Total: 2011-2015 Appropriations | 298,789,000.00 | 294,899,958.95 | 3,004,536.10 | 884,504.95 | | | |
| Major Projects | 181,289,000.00 | 179,571,796.53 | 1,153,853.84 | 563,349.63 | | | |
| HEAPR and Converted HEAPR Projects Only | 117,500,000.00 | 115,328,162.42 | 1,850,682.26 | 321,155.32 | | | |
| <u>Total Percent by Status</u> | | | | | | | |
| 2015 Appropriations | | | | | | | |
| Major Projects | 26,529,000.00 | 96% | 4% | 0% | | | |
| HEAPR Projects | 0.00 | 0% | 0% | 0% | | | |
| Subtotal | 26,529,000.00 | 96% | 4% | 0% | | | |
| 2014 Appropriations | | | | | | | |
| Major Projects | 76,867,000.00 | 99% | 0% | 1% | | | |
| HEAPR Projects | 42,500,000.00 | 95% | 4% | 1% | | | |
| Subtotal | 119,367,000.00 | 98% | 2% | 1% | | | |
| 2012 Appropriations | | | | | | | |
| Major Projects | 14,060,000.00 | 100% | 0% | 0% | | | |
| HEAPR Projects | 50,000,000.00 | 100% | 0% | 0% | | | |
| Subtotal | 64,060,000.00 | 100% | 0% | 0% | | | |
| 2011 Appropriations | | | | | | | |
| Major Projects | 63,833,000.00 | 100% | 0% | 0% | | | |
| HEAPR Projects | 25,000,000.00 | 100% | 0% | 0% | | | |
| Subtotal | 88,833,000.00 | 100% | 0% | 0% | | | |
| Grand Total: 2011-2015 Appropriations | 298,789,000.00 | 99% | 1% | 0% | | | |
| Major Projects | 181,289,000.00 | 99% | 1% | 0% | | | |
| HEAPR and Converted HEAPR Projects Only | 117,500,000.00 | 98% | 2% | 0% | | | |